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SIPDIS

DEPT ALSO FOR EUR/SE AND ISN

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TAGS: [KNNP](#) [KTIA](#) [EWWT](#) [PHSA](#) [PARM](#) [PREL](#) [GR](#)

SUBJECT: PSI: GREEK SHIPBOARDING AGREEMENT NOT DEAD

REF: 2/8/08 HOVENIER/ROACH AND PURCELL E-MAIL

Classified By: DCM Tom Countryman for 1.4 (b) and (d)

SUMMARY

¶11. (C) Although Greek Ambassador to Washington Mallias told USG officials and the press that the proposed PSI bilateral shipboarding agreement was "dead," following Greece's departure from the PSI 5th anniversary meetings in Washington due to the seating of Macedonia as the "Republic of Macedonia," MFA officials have confirmed to us that Mallias' statement on the shipboarding agreement was "uninstructed" and "not government policy." The GOG continues to review our most recent text. We continue to press the GOG to respond to this draft; we understand the Union of Greek Shipowners has confirmed for the MFA that it is reasonably satisfied with the current U.S. text, although UGS continues to desire clarifications and amendments (ref). End Summary.

PSI Shipboarding Agreement Not Dead

¶12. (C) Following Greek Ambassador Mallias' statement to EUR DAS Bryza and to the press that the proposed PSI Shipboarding Agreement was "dead," due to U.S. seating of Macedonia as the "Republic of Macedonia" at the PSI five-year anniversary meetings in Washington, we followed-up with various Greek officials to confirm Greece's position on the PSI Shipboarding Agreement. Deputy Diplomatic Advisor to the PM Bitsios, MFA D-1 Director Ambassador Rallis, and MFA Secretary General Agathocles have all confirmed to us that Mallias' statement on the PSI Shipboarding Agreement was uninstructed and does not represent government policy.

¶13. (C) In a June 3 meeting with DCM, Agathocles said that the draft proposed by the U.S. in early February remained under MFA review, and that Mallias had misspoken. Rallis and Bitsios have been more explicit that Mallias had been "uninstructed" (with Rallis emotionally affirming that the PSI Shipboarding remains on the GOG agenda). DCM pressed Agathocles for an official MFA response to the U.S.-proposed draft; Agathocles was noncommittal as to when the MFA would respond to the U.S. draft, but affirmed that the MFA continues to work on the issue. Agathocles thought the issue was stuck with the shipowners association, rather than with MFA/Legal; DCM said our understanding was the opposite. DCM underscored the need to conclude an agreement expeditiously, noting that it was of greater benefit to Greece than to the U.S., as it will protect Greek shipowners. For this reason, the governments of Cyprus, Panama, and Malta all moved expeditiously to conclude an agreement with the U.S.

¶14. (C) Meanwhile, we've also heard from Rallis that the Union of Greek Shipowners has told the MFA that UGS is "generally OK" with the U.S. proposal. UGS has shared with

MFA the same specific concerns that UGS lawyers highlighted for the Embassy in February (ref), but have told MFA that the agreement "in principle" seems OK. On various occasions over the past several months A/Political Counselor and DCM have pressed various levels of the MFA for an official GOG response to the U.S. proposal so we can then narrow any remaining differences.

SPECKHARD